

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Pakistan

### Cotton and Products Update

### Cotton and Products Update 2016

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**Report Highlights:**

: Pakistan's 2016/17 cotton production is forecast at 8.25 million 480 lb bales, up 250,000 bales from the previous estimate. Despite reduced planted area, rising cotton prices are prompting farmers to more actively manage insects, resulting in higher expected yields compared to a year ago when low cotton prices prompted farmers to curb input costs. Stocks are forecast to drop to the lowest level in 15 years prompting a modest increase in forecast 2016/17 imports to 2.4 million 480 lb bales.

**Post:**  
Islamabad

**Author Defined:**

**Cotton Production Expected Higher**

MY 2016/17 (Aug/Jul) cotton production is now expected to be 8.25 million 480 lb bales, up 250,000 bales from the previous estimate. Pakistan's Central Cotton Committee (PCCC) has reported this year's cultivated area at 2.4 million hectares which is largely a reflection of farmers' poor price expectations at planting. However, prices have strengthened during the season. Prices for seed cotton are now 37 cents per pound, compared to 25 cents per pound a year ago. In turn, unlike a year ago when low cotton prices prompted farmers to save on input costs by reducing pesticide applications, farmers are actively managing insects with higher cotton prices in the offing. Consequently, while much will depend on how willing farmers are to spend on labor to conduct multiple pickings in the fall, yields are expected to improve resulting in a marginally higher production forecast from fewer hectares.

MY 2015/16 imports are estimated at 3.0 million 480 lb bales based on official Pakistani import data and export data from major suppliers. Ending stocks are forecast to fall to the lowers level in 15 years, prompting a modest increase in the 2016/17 import forecast despite higher forecast production.

**Table 2: Production, Supply and Demand Data Statistics**

Cotton Market Begin Year	2014/2015		2015/2016		2016/2017	
	Aug 2014		Aug 2015		Aug 2016	
Pakistan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	2950	2950	2800	2800	2500	2400
Beginning Stocks	2475	2475	2890	2890	2615	2315
Production	10600	10600	7000	7000	8000	8250
Imports	950	950	3300	3000	2200	2400
MY Imports from U.S.	0	0	0	0	0	0
Total Supply	14025	141025	13190	12890	12815	12965
Exports	510	510	250	260	200	200
Use	10600	10600	10300	10290	10200	10300
Loss	25	25	25	25	25	25
Total Dom. Cons.	10625	10625	10325	10315	10225	10325
Ending Stocks	2890	2890	2615	2315	2390	2440
Total Distribution	14025	14025	13190	12890	12815	12965

(1000 HA) ,1000 480 lb. Bales